



STATE OF CALIFORNIA

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

915 CAPITOL MALL, ROOM 311
SACRAMENTO, CA 95814
TELEPHONE: (916) 653-3255
FAX: (916) 653-6827
www.treasurer.ca.gov/cdlac

Laurie Weir
Executive Director

MEMBERS

Philip Angelides, Chairman
State Treasurer

Arnold Schwarzenegger
Governor

Steve Westly
State Controller

Annual Report to the California Legislature

on the Extra Credit Teacher Home Purchase Program

January 1, 2004 – December 31, 2004

Submitted to the Legislature on

March 25, 2005

(Treasurer's Letterhead)

March 25, 2005

Mr. Gregory Schmidt
Secretary of Senate
State Capitol, Room 3044
Sacramento, CA 95814

Mr. E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol, Room 3196
Sacramento, CA 95814

RE: Annual Report on the Extra Credit Teacher Home Purchase Program

Pursuant to provisions of Section 8869.84(g)(4) of the California Government Code, the California Debt Limit Allocation Committee ("the Committee") hereby submits its Annual Report of Activities on the Extra Credit Teacher Home Purchase Program ("the Extra Credit Program").

Providing the highest quality education for our state's children continues to be a high priority for Californians. At the same time, our state faces increasing challenges in attracting qualified and well-trained educators into the teaching profession and into schools where their skills are most needed. Recognizing these challenges, the Committee established the Extra Credit Program in 2000. Through the Extra Credit Program, the Committee sets aside a portion of its limited tax-exempt bond allocation to provide home-buying assistance to school staff who agree to serve in high priority schools.

In program year 2004, the Committee awarded \$100 million in allocation for the Extra Credit Program to California Housing Finance Agency (CalHFA), which administers the program. The 2004 allocation will assist an estimated 500 teachers and other eligible program participants in purchasing a home.

From 2000 to 2004, the Committee earmarked over \$460 million of California's tax-exempt, private activity bond allocation for the Extra Credit Program. These allocations are expected to help over 1,700 qualified teachers and other credentialed school staff who commit to serve California schools where the need for qualified, prepared professionals is greatest.

Please feel free to contact Laurie Weir, Executive Director of the California Debt Limit Allocation Committee, at (916) 653-3255, for additional information.

Sincerely,

Phil Angelides
State Treasurer

I. INTRODUCTION

The Committee produces this report to the legislature on the results of the Extra Credit Teacher Home Purchase Program (“the Extra Credit Program”) annually. This year’s report will outline the history, function, and guidelines of the Extra Credit Program. The report will review the results of the Extra Credit Program for the 2004 program year, with an appendix summarizing past program years.

II. THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

The Federal government limits the amount of tax-exempt private activity bonds that each state may issue in a calendar year to an amount that is based on the state’s population multiplied by \$80. A state’s limit or volume cap is adjusted annually and is sometimes called the annual state ceiling. The California Debt Limit Allocation Committee (“the Committee”) was created to serve as the responsible body to annually set California’s volume cap and award tax-exempt private activity bond authority in a manner that achieves the highest public benefit.

The Committee is a three-member body comprised of the State Treasurer as Chair, the Governor and the State Controller. The Committee also has three non-voting advisory members comprised of the Director of the California Housing Finance Agency (CalHFA), the Director of the California Department of Housing & Community Development, and a representative of local government.

The Committee allocates the annual state ceiling among six major categories of tax-exempt bond programs (state ceiling pools):

- Qualified Residential Rental Project Program
- Single-Family Housing Program
- Extra Credit Teacher Home Purchase Program
- Exempt Facility Project Program
- Small-Issue Industrial Development Bond Project Program
- Student Loan Program

More information on the function and history of the Committee can be found on our website at www.treasurer.ca.gov/cdlac.

Over the years, certain public needs have emerged as priorities for funding by the Committee. Most of the state ceiling is reserved to the pools that promote access to homeownership for lower income families and individuals, and that develop new or rehabilitate existing governmental assisted rental housing. A priority since 2000 is the Extra Credit Program. The Extra Credit Program is designed to assist teachers and other credentialed school staff who are willing to serve in high priority schools to purchase a home.

III. THE EXTRA CREDIT PROGRAM

Background

Attracting qualified teachers, administrators and other staff to high priority schools, which are often located in urban and poor school districts, is an acute problem in California. At Treasurer Angelides' urging, in January 2000 the Committee established the Extra Credit Program to assist California public school districts and county offices of education with recruiting and retaining staff in these high priority schools by providing homeownership opportunities.

The first reservation to the new Extra Credit Program pool was made in early 2000. The first program allocations to issuers were made at the end of that year. In 2002 CalHFA became the lead administrator for the program. As a result of CalHFA's entry into the Extra Credit Program, below market interest rate loans and homeownership assistance became available to eligible teachers and school staff on a statewide basis.

Summaries of prior legislative reports (2000-2001) are attached as appendices to this report. Copies of complete prior year legislative reports are available on our website at www.treasurer.ca.gov/cdlac/extracredit/ or by contacting Committee staff at (916) 653-3255.

Function

With an allocation of tax-exempt bonds, State and local governmental agencies and joint powers authorities can issue tax-exempt mortgage revenue bonds (MRBs) or mortgage credit certificates (MCCs) to assist teachers, principals and other credentialed school staff purchase homes. The proceeds of MRBs back below market interest rate mortgages. Homebuyers use MCCs to reduce their federal tax liability by applying the credit to their net tax due. Examples of how each type of homeownership assistance translates into real numbers can be found below.

Mortgage Credit Certificate

For a family with a \$244,541, 30-year mortgage, at 5.66% fixed interest rate, the credit would be approximately \$1,722 annually and approximately \$51,676 over the life of the mortgage. The credit would be highest in the early years of the loan, when there is more interest paid by the homeowner.

Mortgage Revenue Bond

For a family with a \$244,541, 30-year mortgage, at 5.66% fixed interest rate, the interest rate would be approximately 1.41% below market interest rates, which would result in savings of approximately \$75,960 over the life of the loan.

In addition, through each jurisdiction administering the program participants also receive at least \$7,500 in direct homeownership assistance. Homeownership assistance may be higher (currently up to \$25,000) in high cost areas. Assistance may be used for expenses such as down payment and closing costs.

Program Guidelines and Parameters

- Family incomes must be 115% or less of the county or statewide median income (whichever is higher) for a family of three or more and 100% or less for a family of one to two persons. Purchase price limits are set at 90% of the average area purchase price for existing and new homes (limits are set at 110% for homes located within IRS target areas). Participants must be first time homebuyers, or not have owned a home for three years prior to the purchase.
- Program participants must be fully credentialed or meet the definition of classified employee and employed full-time in a high priority school in the subject and grade level as authorized by his or her credential.
- All program participants must agree to serve for a minimum of three years in a high priority school.
- For the purposes of this program, a high priority school means a California K-12 public school that is 1) ranked in the bottom 50% of all schools based upon the most recent Academic Performance Index, i.e. schools receiving an API Statewide ranking of 1, 2, 3, 4 or 5; or 2) that does not have an API ranking but 70% or more of the school's pupil enrollment is eligible for free or reduced price meals. Priority is to be given to eligible teachers and eligible administrators working in high priority schools with API rankings 1, 2 and 3.

Program Reporting Requirements

Section 8869.84(g)(4) of the California Government Code requires the Committee to annually report to the Legislature the results of the Extra Credit Program, including the following information, all of which is presented in table form in the following pages:

- (1) The amount of state ceiling limits allocated to, or reserved for, the program (Table 1);
- (2) The agencies to which state ceiling limits were issued (Table 2);
- (3) The number of loans or mortgage credit certificates issued to teachers, principals, vice principals, and assistant principals (Table 3);
- (4) The schools at which recipients of assistance are employed, aggregated by decile in which the schools rank on the Academic Performance Index (API) and by the percentage of uncredentialed teachers employed at the schools (Tables 4 and 5).

IV. THE EXTRA CREDIT PROGRAM – 2004 ANNUAL REPORT

State Ceiling Allocated From Program Commencement

The Committee has allocated Extra Credit Program bond authority as follows:

TABLE 1

Extra Credit Program Allocations By Year

Program Year	Amount
2000	\$63,280,554
2001	\$99,932,283
2002	\$98,000,000
2003	\$100,000,000
2004	\$100,000,000
TOTAL ALLOCATED	\$461,212,837

Agencies That Received 2004 Extra Credit Program Allocation

In 2004, the Committee reserved \$120 million for the Extra Credit Program, which represents 4.2 percent of the 2004 State Ceiling on Tax-Exempt Private Activity Bonds. The Committee received one application requesting \$100 million in allocation from CalHFA. The Committee awarded allocation for the Extra Credit Program to CalHFA, a statewide issuer, which administers a Mortgage Revenue Bond (MRB) program. The 2004 allocation is estimated to assist approximately 500 teachers and other eligible program participants in purchasing a home while recruiting and retaining fully qualified teachers and administrative services to high priority schools.

TABLE 2

2004 Committee Allocations				
Jurisdiction	Program Type	Allocation	% of Total Extra Credit Allocation	Estimated # of Eligible School Staff
CalHFA (Statewide)	MRB	\$100,000,000	100%	500
TOTALS:		\$100,000,000	100%	500

Loans and MCCs Originated In 2004

The number of MCCs and MRB loans issued by jurisdiction is illustrated in Table 3 below. This table represents the results of the Program for 2004, which includes the continued use of allocations available from 2000, 2001, 2002, and 2003. An award of bond authority is typically not fully used in the year the allocation was received. Assuming bond proceeds have not been fully expended in the first year, federal law limits the length of time that proceeds from an allocation may remain available for the program. An award of MCC authority lasts approximately two years and an award of MRB authority lasts 42 months.

From January 1, 2004 through December 31, 2004, the Extra Credit Program helped a total of 383 program participants. Local jurisdictions and CalHFA issued 364 below market interest rate loans and 19 mortgage credit certificates.

TABLE 3

2004 Mortgage Revenue Bond Loans and Mortgage Credit Certificates Issued by Jurisdiction			
ISSUER	MRB	MCC	TOTAL
California Housing Finance Agency	364		
County of San Francisco		1	
County of Sacramento		8	
County of Santa Clara		10	
TOTALS:	364	19	383

Schools at which Program Participants are Employed

The schools where program participants are employed are listed in Table 4 below. This table also lists the API rankings and the percentage of all teachers who have emergency teaching credentials at those schools. For the purpose of this report, uncredentialed teachers are documented as teachers holding emergency credentials or permits. Teachers are employed in 302 different schools, 87 (29%) of which have an Academic Performance Index (API) ranking of 1; 74 (24%) of which have an API ranking of 2; 55 (19%) of which have an API ranking of 3; 46 (15%) of which have an API ranking of 4; 35 (11%) of which have an API ranking of 5; and 5 (2%) of which are county continuation and alternative schools. The percentage of emergency credentialed teachers in these schools ranges as high as 76% and as low as 0%. The average percentage of emergency credentialed teachers in participating schools is 11.62%.

TABLE 4

Schools at which Program Participants are Employed For all MRB Loans and MCCs Originated in 2003		
SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Arlanza Elementary	1	16
Arvin High	1	11
Baker Elementary	1	6
Balboa High	1	14
Baldwin Park High	1	15
Barchrodt (Walter J.) Elementary	1	8
Belmont Senior High	1	18
Brietic (Matthew) Elementary	1	29
Burton Street Elementary	1	18
Chavez (Cesar E.) Elementary	1	0
Chavez (Cesar) Elementary	1	0
Coachella Valley High	1	13
Compton High	1	34
Del Mar Elementary	1	3
Eastman Avenue Elementary	1	24
Elm Street Elementary	1	18
Empire Gardens Elementary	1	15
Ernesto	1	24
Fair Oaks Elementary	1	10
Fairbanks Elementary	1	0
Fifty-Second Street Elementary	1	26
Florence Avenue Elementary	1	37
Franklin Elementary	1	10
Franklin Middle	1	29
Fresno High	1	3

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Garden Valley Elementary	1	9
Gardner Elementary	1	9
Garfield Elementary	1	11
Grant Elementary	1	10
Grant High	1	13
Grant Union High	1	5
Hawthorne High	1	4
Helms Middle	1	9
Heritage Elementary	1	0
Hillcrest Drive Elementary	1	24
Hooper Avenue Elementary	1	19
Horace Mann Elementary	1	0
Huerta (Delores) Learning Academy	1	73
Hyde Park Blvd. Elementary	1	20
Indio High	1	10
John F. Kennedy Elementary	1	13
Kemble (Edward) Elementary	1	3
Kennedy Elementary	1	0
Lafayette Elementary	1	0
Lancaster High School	1	32
Lehigh Elementary	1	9
Lincoln Elementary	1	10
Lincoln Elementary	1	47
Lincoln Elementary	1	5
Los Angeles Academy	1	34
Los Cerritos Elementary	1	39
Lynwood High	1	19
Lytle Creek Elementary	1	3
Mann Elementary	1	4
Martinez (Saul) Elementary	1	12
McClymonds Senior High	1	0
McKinley Elementary	1	3
Mecca Elementary	1	8
Mountain View High	1	21
Nimitz Middle	1	34
Ninety-Fifth Street Elementary	1	23
Normandie Avenue Elementary	1	29
Northwood School	1	6
Oasis Elementary	1	13
Paramount High	1	25
Parkway Elementary	1	4

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Ritter Elementary	1	35
Rudsdale Academy	1	0
San Jacinto Elementary	1	6
San Ysidro Middle	1	12
Shafter High	1	5
Sherwood Elementary	1	34
Simmons (Calvin) Middle	1	4
Sobrante Park Elementary	1	0
Taft Elementary	1	6
Tioga Middle	1	0
Valley High	1	6
Valley View Elementary	1	3
Wadsworth Avenue Elementary	1	21
Warm Springs Elementary	1	21
Washington (George) Preparatory	1	NR
Weigand Avenue Elementary	1	36
West Athens Elementary	1	15
Whaley Middle	1	48
Wilmington Middle	1	23
Woodcrest Elementary	1	25
Woodland Elementary	1	7
Baker (Ethel) Elementary	2	0
Bud Carson	2	37
Buena Park High	2	10
Burnett (Peter) Middle	2	21
Butler (Mary) Elementary	2	17
Cahuilla Desert Academy (Jr. High)	2	10
Calexico High	2	15
Captain Jason M. Dahl	2	15
Carson Senior High	2	20
Christopher Elementary	2	7
Crawford Senior High	2	2
De Anza Senior High	2	9
Del Valle Elementary	2	10
Desert Hot Springs High	2	15
Dyer-Kelly Elementary	2	0
Emery Middle	2	17
Euclid Elementary	2	0
Fishburn Avenue Elementary	2	26
Foshay Lrng. CTR (K-12)	2	27
Fremont Elementary	2	6

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Harden Middle	2	12
Haydock (Richard B.) Intermediate	2	10
Hillcrest Elementary	2	7
Hollydale Elementary	2	17
Hollywood Senior High	2	17
Hoopa Valley Elementary	2	0
Hoover Elementary	2	2
Hoover Street Elementary	2	18
Jefferson (Thomas) Elementary	2	0
Jefferson Street	2	18
Kelly Elementary	2	33
King Middle	2	21
La Salle Avenue Elementary	2	28
Laton High	2	38
Lennox Middle	2	20
Lincoln (Abraham) Elementary	2	3
Lincoln (Abraham) Senior High	2	20
Loma Vista	2	30
Luther Burbank Middle	2	6
Mann (Horace) Elementary	2	25
McKinley Avenue Elementary	2	33
Melrose Leadership Academy	2	0
Michel Torenna Street Elementary	2	22
Mission Elem	2	5
Monroe (James) High	2	22
Monroe Elementary	2	0
Munsey Elementary	2	0
National City Middle	2	7
Pio Pico Elementary	2	23
Rio Tierra Junior High	2	5
Roosevelt Middle	2	2
Rosemary Elementary	2	7
San Fernando Elementary	2	22
San Fernando Senior High	2	15
Sequoia Middle	2	7
Shandin Hills Middle	2	28
Sheppard (Harry R.) Middle	2	22
Sheppard Elementary	2	6
Shields (Lester V.) Elementary	2	9
Smythe Elementary	2	0
Smythe Elementary	2	3

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Southpark Elementary	2	20
Terrell Elementary	2	9
Union Avenue Elementary	2	23
Valencia High	2	3
Vejar Elementary	2	15
Vermont Avnue Elementary	2	13
Walnut Park Elementary	2	21
Wasco High	2	NR
West High	2	12
Westside Elementary	2	11
Wilson Elementary	2	0
Wilson Middle	2	0
Ball Junior High	3	3
Barstow High	3	17
Birney Elementary	3	3
Bufford Elementary	3	13
Burchfield Primary	3	0
Castori (Michael J.) Elementary	3	6
Chavez (Cesar) Elementary	3	15
Cleveland Elementary	3	5
Corona Avenue Elementary	3	33
Edison (Thomas)	3	0
Edison Charter	3	25
Fairlawn Elementary	3	0
Fillmore Unified	3	5
Fleming Middle	3	32
Foothill Middle	3	5
Galileo Academy	3	3
Garfield Elementary	3	6
Hanshaw (Evelyn) Middle	3	2
Hesperia Junior High	3	8
Hesperian Elementary	3	2
Holtville High	3	6
Jackman (Samuel) Middle	3	7
John Muir	3	17
La Contenta Junior High	3	5
Lafayette Elementary	3	8
Lehman (Helen M.) Elementary	3	7
Liggett Street Elementary	3	29
Loma Verde Elementary	3	3
Lugonia Elementary	3	3

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Magnolia High	3	10
Montara Avenue Elementary	3	19
Moreno Elementary	3	3
Mueller Elementary (Charter)	3	5
Nicholas Elementary	3	0
Orange High	3	9
Oxnard High	3	1
Parks (Rosa) Elementary	3	0
Pittsburg Senior High	3	22
Planz Elementary	3	0
Saturn Street Elementary	3	24
Second Street Elementary	3	8
Shadow Hills Intermediate	3	20
Sherman Oaks Elementary	3	8
Shirakawa (George) Sr., Elementary	3	11
Sixty-First Street Elementary	3	25
Skyline North Elementary	3	22
Sutter (John A.) Middle	3	16
Sylvandale Junior High	3	6
Towne Avenue Elementary	3	20
Valley High	3	6
Verdugo Hills Senior High	3	20
Victor Valley High	3	13
Visotacion Valley Middle	3	12
Washington Elementary	3	2
Westwood Elementary	3	6
Wilson Elementary	3	11
Allen Elsie High	4	NR
Almaden Elementary	4	NR
Alpha Elementary	4	2
Annadale Elementary	4	9
Arbuckle Elementary	4	0
Bahia Vista Elementary	4	5
Blaker-Kinser Jr. High	4	7
Campo Elementary	4	0
Chipman Middle	4	20
College Park Elementary	4	0
Community Charter Middle	4	76
Cuyamaca Elementary	4	3
Del Dios Middle	4	8
Delta Sierra	4	6

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Dingle Elementary	4	0
Dolland (John) Elementary	4	2
El Roble Elementary	4	6
El Toyon Elementary	4	12
Escondido High	4	8
Fairmont Elementary	4	0
Franklin Elementary	4	6
Fruitvale Elementary	4	0
Hamilton Union High	4	5
Harte Elementary	4	10
Highland Elementary	4	0
John Marshall Senior High	4	11
Kammann (Henry F.) Elementary	4	2
Los Nietos Middle	4	31
Mack (Charles E.) Elementary	4	3
Marshall Elementary	4	6
Monte Vista Elementary	4	24
Mt. Pleasant High	4	21
Nelson Avenue Middle	4	0
Normont Elementary	4	3
Oakland Elementary	4	4
Ochoa (Anthony W.) Middle	4	14
Orange View Junior High	4	4
Riverview Elementary	4	0
Roosevelt Elementary	4	6
San Pedro Street Elementary	4	8
Selma Avenue Elementary	4	10
Simmons Elementary	4	0
Skyline High	4	4
Willard Elementary	4	2
William Land Elementary	4	0
Williams Elementary	4	NR
Accelerated (K-4) Charter	5	26
Amestoy Elementary	5	13
Bellevue Elementary	5	0
Bidwell (John) Elementary	5	9
Bolsa Grande High	5	7
Cleveland Elementary	5	2
Eagles Peak Charter	5	11
Erwin Street Elementary	5	27
Fitz Stephen R. Intermediate	5	14

SCHOOL	API SCORE	% EMERGENCY CREDENTIALLED TEACHERS
Fremont Elementary	5	12
Fremont Intermediate	5	2
Fullbright Avenue Elementary	5	13
Hatch (Alvin S.) Elementary	5	3
Hilliard Comstock Middle	5	3
Hoover (Lou Henry) Elementary	5	14
Imperial Middle	5	6
Independence High	5	19
Kynoch Elementary	5	6
Lincoln (Abraham) Middle	5	2
Longfellow Elementary	5	6
Lorin Eden Elementary	5	3
Marshall Elementary	5	0
Marston Middle	5	0
Mills Middle	5	7
Morse Senior High	5	0
Munck (Carl B.) Elementary	5	0
Nicolas Junior High	5	9
Parkview Elementary	5	0
Rivera Elementary	5	19
Stonegate Elementary	5	9
Sunset Elementary	5	4
Tracy High	5	8
Violette Elementary	5	0
Wilcox High School	5	NR
Winnetka Avenue Elementary	5	14
Berkeley Alternative High	C	C
Oakland Senior High	C	C
Sonoma Court	C	C
Success Academy	C	C
Wells (Ida B.) Altern./Cont.	C	C

NR = not reported

C = County/Continuation/Court School

Note: County/Continuation/Court schools are under a different accountability system, which does not rank schools on academic performance nor does it provide information on teachers with emergency credentials.

TABLE 5**Program Participant Schools (from the list above)
Aggregated by API Decile**

Ranking	Number of Schools (Percent of Total)
API 1	87 (29%)
API 2	74 (24%)
API 3	55 (19%)
API 4	46 (15%)
API 5	35 (11%)
County Schools	5 (2%)
TOTAL	302 (100%)

IV. CONCLUSION

The Extra Credit Program makes a difference in the lives of California's public school staff and the quality of public education in the State's highest priority schools. As of December 31, 2004, the Committee has earmarked over \$460 million of California's scarce tax-exempt, private activity bond allocation for the Extra Credit Program to help over 1,700 qualified teachers and other credentialed school staff who commit to serve in schools ranked in the lowest five deciles based on the API, where the need for qualified, prepared professionals is greatest.

The program is well underway. Four local and statewide entities have issued a total of 383 MCCs and MRBs to eligible school staff at high priority schools throughout the State in 2004. Since the program's first allocation in September 2000, a total of 1,065 MCCs and MRBs have been issued to eligible school staff at high priority schools throughout the State.

Program administrators are well into 2005 Extra Credit Program activity. The Committee looks forward to reporting additional program progress in its next report to the Legislature.

APPENDIX

Summary of Past Program Years 2000- 2003

In 2000, the California Debt Limit Allocation Committee (“the Committee”) reserved \$50 million for the Extra Credit Teacher Home Purchase Program (Extra Credit Program), which represents four percent of the 2000 State Ceiling on Tax-Exempt Private Activity Bonds. The Committee received a total of nine applications. The applications received requested \$110 million in allocation. The Committee awarded its first allocations for the Extra Credit Program to seven local issuers of which three administer Mortgage Credit Certificate (MCC) Programs and four administer Mortgage Revenue Bond (MRB) Programs. An additional \$14 million was transferred to the program pool to meet the program’s demand.

In 2001, the Committee reserved \$100 million (5% of the 2001 State Ceiling) in tax-exempt bond allocation for the Extra Credit Program Pool, representing a \$50 million increase over 2000. The Committee allocated a total of \$100 million in tax-exempt bond authority of the Extra Credit Program to six issuers, three of which were new to the program. Of the applicants who received allocation, five were local issuers and one was a statewide issuer.

From September 2000 through December 2001, the Program helped a total of 146 program participants. Local jurisdictions and the California Housing Finance Agency (CalHFA) issued 107 below market interest rate loans and 39 MCCs.

Program participants from 2000 and 2001 are employed in 90 different schools, 39 (43%) of which had an Academic Performance Index (API) ranking of 1; 25 (28%) of which had an API ranking of 2; and 26 (29%) of which had an API ranking of 3. The percentage of emergency credentialed teachers in these schools ranges as high as 55%. The average percentage of emergency credentialed teachers in participating schools is 17.35%.

In 2002, the Committee reserved \$125 million (4.8% of the 2002 State Ceiling) in tax-exempt bond allocation for the Extra Credit Program Pool, representing a \$25 million increase over 2001. The Committee allocated a total of \$98 million in tax-exempt bond authority of the Extra Credit Program to two issuers, of which one administers a MCC Program and the other administers a MRB Program.

From January 2002 through December 2002, the Program helped a total of 275 program participants. Local jurisdictions and CalHFA issued 251 MRB loans and 24 MCCs.

Program participants from 2002 are employed in 275 different schools, 99 (36%) of which have an API ranking of 1, 85 (31%) of which have an API ranking of 2, 83 (30%) of which have an API ranking of 3, 6 (2%) of which have an API ranking of 4 and 2 (1%) of which have an API ranking of 5. The percentage of emergency credentialed teachers in these schools ranges as high as 53% and as low as 0%. The average percentage of emergency credentialed teachers in participating schools is 17.46%.

In 2003, the Committee reserved \$100 million (3.8% of the 2003 State Ceiling) in tax-exempt bond allocation for the Extra Credit Program Pool, representing a \$25 million decrease over 2002. The Committee allocated a total of \$100 million in tax-exempt bond authority of the Extra Credit Program to two issuers, of which one administers a MCC Program and the other administers a MRB Program.

From January 2003 through December 2003, the Program helped a total of 261 program participants. Local jurisdictions and California Housing Finance Agency issued 242 MRB loans and 19 MCCs.

Program participants from 2003 are employed in 235 different schools, 66 (28%) of which have an API ranking of 1; 62 (26%) of which have an API ranking of 2; 57 (24%) of which have an API ranking of 3; 27 (11%) of which have an API ranking of 4; and 23 (10%) of which have an API ranking of 5. The percentage of emergency credentialed teachers in these schools ranges as high as 64% and as low as 0%. The average percentage of emergency credentialed teachers in participating schools is 16.73%.